

STATE OF MINNESOTA

OFFICE OF THE ATTORNEY GENERAL

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US EPA RECORDS CENTER REGION 5

ADDRESS REPLY TO:

ATTORNEY GENERAL'S OFFICE POLLUTION CONTROL DIVISION 1935 WEST COUNTY ROAD B-2 ROSEVILLE, MN 55113 TELEPTIONE (612) 296-7342

June 5, 1985

Edward J. Schwartzbauer Dorsey & Whitney 2200 First Bank Place East Minneapolis, MN. 55402

RE: U.S.A. et al. v. Reilly Tar & Chemical Corp. et al.

Dear Mr. Schwartzbauer:

By letter dated May 24, 1985, to Mr. Shakman, you acknowledge having received a copy of a May 30, 1985, Board Item relating to the Reilly site and ask for confirmation as to the purposes of the MPCA Board action requested in that Board Item.

You state in your letter that "We understand that the PCA Board is merely being asked to authorize the director to enter into a contract with Hickok for additional work on W23." This statement is only partially correct.

The May 30, 1985, Board Item asks the MPCA to take two actions: (1) It asks the Board to authorize the Executive Director to execute an amendment to extend the expiration date of an existing contract with Hickok for well investigation at the Reilly site. (2) It asks the Board to authorize the Executive Director to execute contracts for reconstruction of W23 and for a sanitary sewer hookup for that well. As recommended by the MPCA staff, the MPCA Board took both these actions at their May 30, 1985, meeting.

In sum, the understanding stated in your May 24, 1985, letter is inaccurate in that (1) it reflects only one of the two actions requested of the MPCA Board and (2) it mistakenly identifies Hickok as the contractor for the W23 work. (As yet, there is no W23 contractor. If the MPCA proceeds to do that work, it will do so through the bid process.)

The ultimate concern raised in your letter relates to our intentions to enter into additional contracts while settlement negotiations are in progress. In light of Reilly's oral commitment to prepare and submit by July 15, 1985, a deside for the GAC plant, the MPCA will postpone further action regarding the W23 contract. However, such postponement is not indefinite and is made with the assumption that, in the next two weeks; the negotiating teams will have finalized a document they will

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recommend to their respective authorities. Amendment of the Hickok contract should not impact settlement negotiations and is needed to ensure preparation of a final report by Hickok on work already performed.

Very truly yours,

LISA R. TIEGEL Special Assistant Attorney General

SR:LRT:1t cc: Stephen D. Riner Robert Polack William Sierks